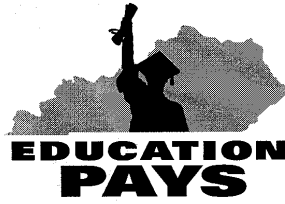


Kentucky Revenue Cabinet



N E W S

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FOR IMMEDIATE RELEASE

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DECLINING STATE PROPERTY TAX RATE SET AT 13.6 CENTS FOR 2001

FRANKFORT, KY (June 29, 2001) – Kentucky Revenue Secretary Dana Mayton today announced that the 2001 State Real Property Tax Rate is 13.6 cents per each \$100 of assessed value.

Under HB 44, the rate is reviewed by the Revenue Cabinet and adjusted each year to ensure that as assessments go up, the rate comes down to a level that limits any revenue increase to no more than 4 percent. Before the enactment of HB 44 in 1979, the State Real Property Tax Rate was 31.5 cents per \$100 of assessed value. The 2001 rate of 13.6 cents per \$100 valuation represents a 3.5 percent reduction from the 2000 rate of 14.1 cents.

According to Secretary Mayton, "The estimated total real property assessment for the 2001 tax year is approximately \$144 billion, up from \$133 billion in 2000. The major categories include an estimate of \$90.4 billion for residential property assessments, \$36.6 billion for commercial property assessments and \$12.9 billion for farm assessments."

Property taxes, once the primary source of state and local government revenue, now account for only about 6 percent of the state's annual General Fund revenues.